

JEFFERSON COUNTY COMMISSIONERS
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KEN WEBER, CHAIR

CHUCK NOTBOHM

TOM LYTHGOE

**PROCEEDING OF THE BOARD OF COMMISSIONERS
COUNTY OF JEFFERSON, STATE OF MONTANA
May 8, 2007**

Present: Commissioners Lythgoe, Notbohm and Weber; Kathi Bond, Facilities Manager; Harold Stepper, County Planner; Bonnie Ramey, Clerk and Recorder; Jan Anderson, *Boulder Monitor/Jefferson County Courier*; Claud Matney, Matney-Frantz Engineering, Ernie Kenison, Tim Ravendal, Celia Wolny

REPORTS

Receipt of April expense and revenue reports from the Clerk and Recorder.

Receipt of April cash report from the Treasurer.

Receipt of Clerk and Recorder fees for April.

CALENDAR REVIEW

- 5/09 On-site review - Jefferson Acres Major subdivision - 4:00
Planning Board - Whitehall - 7:00
- 5/10 CTAC - Whitehall - 8:00
Tri-Co Fire - Helena - 9:00
Partnership strategy meeting - Butte - 1:00
Elkhorn Working Group - Helena - 2:00
Library Board - 6:30
- 5/11 Dignity Dinner - Helena - 6:00
- 5/14 Horizons leadership training - Whitehall - 5:00
- 5/15 Mining Association dinner - Butte - 5:00

COMMISSION REPORTS

May 8, 2007 minutes.wpd

BIBLE READ A THON

Commissioner Weber reported that he took part in the local Bible read-a-thon. He stated that it was a good event, with many in attendance.

BUDGET

Commissioner Weber reported that he is working with the Library Board on the budget for the upcoming fiscal year.

HEALTH INSURANCE

Commissioner Weber reported that he met with Gary Habutzel regarding the County's health insurance. There are a couple benefit changes. The increase for the coming year will be 4%. He noted that this is quite a change from the 13-20% increases in the past.

SOUTH HILLS PROJECTS

Commissioner Lythgoe reported that he met the previous week with a person who expressed concern with the tree clearing for the South Hills RID/RMD project.

NORTH-END BUSINESS ROUNDTABLE

Commissioner Lythgoe reported that he attended the north-end business roundtable on Friday at Marks Lumber. Marks-Miller had just finished a new building and were displaying their products.

FAIRGROUNDS UPGRADE

Commissioner Notbohm reported that he took a look at the progress on the multi-purpose building at the fairgrounds. He stated that it looks good.

ITEMS FOR COMMISSIONERS ACTION OR REVIEW

APPOINT FIRE TRUSTEES

Commissioner Lythgoe stated that the Commission received a memo from the election administrator (on file in the Clerk and Recorder's office) outlining the names submitted by the fire districts for trustee appointment.

Commissioner Lythgoe moved to elect by acclamation for a three year term, Mary Jane Williams to the Basin Trustee Board. Commissioner Weber seconded. Commissioner Lythgoe noted that Basin still has one Trustee vacancy.

Commissioner Lythgoe moved that Doug Salsbury and James Miller be elected by acclamation to the Jefferson Valley Rural Fire District for three year terms. Commissioner Weber seconded. The motion carried.

Commissioner Lythgoe moved that Carl Anderson and Paul Bessler be elected by acclamation to the Montana City Fire District for three year terms. Commissioner Weber seconded. The motion carried.

Commissioner Lythgoe stated that they are still waiting for applicants from Jefferson City, Bull Mountain and Elk Park.

AWARD BID FOR CTEP SIDEWALK PROJECT

Commissioner Weber stated that the Commission received two bids for the Courthouse sidewalk project, one from Tabbert for \$146,210.00 and one from ACME for \$63,783.00. Commissioner Lythgoe stated that the engineer on call has reviewed both bid packets and both meet all requirements. Commissioner Lythgoe moved to award the bid to ACME. Commissioner Notbohm seconded. The motion carried.

DISCUSSED LOWERING DESTINY HILLS RID ADMINISTRATION FEE

Bonnie Ramey, Clerk and Recorder, stated that the Destiny Hills RID was formed through the petition process, and in the resolution the administration fee was set at 10%. The homeowners would like to have the fee lowered to no more than 5%. Commissioner Weber asked about fees for other RIDs. Bonnie stated that Lime Kiln has no fee and South Hills is 5%, which more than covers what the County does. They have only issued three checks since the Destiny Hills District was established. Commissioner Lythgoe moved to lower the administrative fee to 5%. Commissioner Notbohm seconded. The motion carried.

DISCUSS CLEAN RENEWABLE ENERGY BONDS

Claud Matney, Matney-Frantz Engineering, came before the Commission to discuss Clean Renewable Energy Bonds (CREBs). CREBs were created by the Energy Policy Act of 2005 by Senator Max Baucus and Senator Grassley of Iowa. CREBs provide local entities with the ability to obtain interest-free financing for renewable energy projects. During the 2006 cycle, Matney-Frantz submitted CREB applications for 35 Montana cities and counties, 33 of which were approved. Claud went through a power point presentation outlining the program. They will be using re-manufactured turbines from Southern California and Scandinavia. Commissioner Weber asked about the warranty on the re-manufactured equipment. Claud stated that it is longer than new.

Claud stated that if federal projections come true, we will have 35 more Judith Gap - sized wind farms in the state. There is the question if local governments should compete with private industry, but he has no answer for that. Commissioner Lythgoe asked if there has been any discussion of governments getting the projects going and then selling. Claud stated that the county would own the project for the life of the bond, but could then sell it. If Jefferson County decides to submit an application, they will need to study where there is enough wind. He stated that he would like to invite the Commission to go to Twin Bridges on the 4th, when they will be pulling cities, counties and schools together for a demonstration.

Commissioner Weber asked about net metering. Claud stated that this is one of several options. Commissioner Weber asked if they would be worse off trying to pull everyone together and forming a co-op or if they would be better off pursuing separately. Claud stated that this is a federal program, and it would be better to come across as individuals.

Commissioner Weber stated that he has been following this idea for several years. From all that he is hearing, Jefferson County seems to be in a better position. Golden Sunlight Mine has been

metering and has history on wind statistics, as well as a private investor. He asked if this puts us in a better place. Claud stated that this puts Jefferson County in a much better place.

Commissioner Weber asked how we are to prove how big a project we need. Commissioner Lythgoe suggested that we want to ask small. Claud stated that he may come back and suggest that the County ask small. This project is so popular, there is a move to fully fund all requests.

Commissioner Notbohm asked if there are any projections on how long it takes to break even. Claud stated that this will depend on the wind resource. If they are able to place the turbines at Golden Sunlight, that would be great.

Commissioner Weber asked the difference in cost between new and re-furbished. Claud stated that new equipment will run \$17,000 per kilowatt and used is \$4,000 per kilowatt. Commissioner Weber asked if there is any problem getting bonding with re-manufactured equipment. Claud stated that this is no problem as long as the warranty is better. Commissioner Weber asked if Claud had any reading on the cut-off amount this cycle. Claud stated that this cycle has less money but new rules, so it is still up in the air.

Commissioner Weber asked if they have had any success in dove-tailing with industry. Claud stated that they are still in the talking stages. Commissioner Weber asked Claud if he has a list of municipalities or counties that would be willing to talk to us, and was told that one would be sent.

Commissioner Weber asked about the private versus public issue. Claud stated that, at this point, Montana produces twice the energy that it uses. The problem is transmission; we can't get it out. Commissioner Notbohm stated that he was reading in the NACo newsletter that five counties in Texas have wind programs, and they sell the energy to private industry.

Ernie Kenison stated that Claud mentioned stands from California could be refurbished, and asked if this is happening in Montana yet. Claud stated that it is; there are three machine shops in Billings and one in Livingston also. Ernie asked if there seems to be a good supply of California rebuilds. Claud stated that if you think of this like the used car business, its hard to guess what the future market will be, but they are always updating equipment. Commissioner Weber asked if there is any benefit to having less big turbines versus more small turbines. Claud stated that the wind blows harder higher up, but mobilization is a concern.

TIM RAVENDAHL - DISCUSS RESOURCE MANAGEMENT ON PUBLIC LANDS

Tim stated that he is coming before the Commission to give an update on what Montanans for Multiple Use is up to. Regarding the South Belts travel plan in the Helena National Forest, Broadwater and Meagher Counties have signed on to their alternative as a travel plan. On April 17th, Broadwater County sent a letter to the Forest Service regarding the South Belts travel plan. This was a starting point for the county, and that meeting put the Forest Service on notice that they were not getting the needed coordination and needed to have a meeting with the Forest Supervisor. The previous day at a meeting in Townsend, a letter was drafted to the Helena National Forest Supervisor to reiterate what was done on April 17th. There had been no response from the Forest Service and they asked again for a response in writing. Tim stated that that

morning he went to Meagher County and asked them to draft a letter of their own to the Forest Service. A Commissioner will be required to attend meetings to have coordinating status. Commissioner Weber asked if they are aware that they can appoint a representative. Tim stated that they are. He then read Broadwater County's resource planning policy. He stated that they went one step further and drafted a resolution to adopt a resource management plan, which he hopes to have adopted shortly.

Tim stated that he was in Anaconda-Deer Lodge the previous week when the partnership plan was presented again. He was appalled to have his organization labeled as being uncooperative. What they are seeing happening is that they, as citizens, are being shut out. The Montana Wilderness Association has suggested that they get together and talk, but they are refused to be allowed to attend the meeting regarding the South Belts travel plan. Commissioner Weber asked if he is attempting to pull together the counties in the Helena National Forest. Tim stated that the concept of the partnership is good. As an organization they are going county to county and trying to compliment what has already been done. Beaverhead County is the only one who has gone through the process. They will see if it makes a difference when the plan comes out. Commissioner Weber noted that Madison County has also worked with the Forest Service and has coordinating status. Tim stated that this is wonderful. He is in attendance at this meeting to see what has been done and where they are in the process. He also wants to go to MACo. Commissioner Weber stated that they are working in the same direction. They haven't claimed cooperative or coordinating status yet. They are working on the process and trying to decide the best process. He would be very interested in a cooperative meeting with other counties. Tim stated that he would ask that they send a letter to Broadwater and Meagher Counties. Commissioner O'Leary from Butte is afraid that coordinating status will pit counties against each other; education is needed. Commissioner Weber stated he could be concerned with a conflict with varying ideologies. Tim stated that he is still reading the partnership agreement. He has spoken with Ed Regan, and also has a copy of the national plan.

DISCUSS FORMATION OF SADDLE MOUNTAIN RID/RMD

Commissioner Lythgoe stated that they have had the required public meeting. The Sawmill Road portion has been abandoned, but it may be resurrected by the residents.

Commissioner Notbohm moved to adjourn. Commissioner Weber seconded. The motion carried.

MEETING ADJOURNED

ATTEST:

BONNIE RAMEY
CLERK AND RECORDER

KEN WEBER, CHAIR

TOMAS E. LYTHGOE, COMMISSIONER

CHUCK NOTBOHM, COMMISSIONER